

ADVISORY OPINION 98-008

Any advisory opinion rendered by the Registry under subsections (1) or (2) of this section may be relied upon only by the person or committee involved in the specific transaction or activity with respect to which the advisory opinion is rendered. KRS 121.135(4).

August 5, 1998

Dr. Kevin T. Kavanagh
Chairman-Pulaski County GOP
3396 Woodhaven Dr.
Somerset, Kentucky 42503

Dear Dr. Kavanagh:

This is in response to your letter dated July 6, 1998, requesting an advisory opinion regarding “personal service corporations” hereafter referred to as a “Professional Service Corporation” or “PSC” and political contributions. Your specific question is:

May an individual who is a sole owner of a “Professional Service Corporation,” (“PSC”) use the Corporation to make monetary or In-Kind contributions to an Executive Committee or Candidate.

The facts related by your letter fall within the scope of Section 150 of the Kentucky Constitution and KRS 121.025. Section 150 of the Kentucky Constitution strictly prohibits any direct or indirect influence of Kentucky elections in the form of corporate money. This constitutional prohibition is also reflected in KRS 121.025 and KRS 121.035, which prohibit a corporation from contributing, either directly or indirectly, any money, service or other thing of value toward the nomination or election of a candidate. Further, KRS 121.150(21) prohibits a candidate or committee (including an executive committee as defined under KRS 121.015(3)(d)) from knowingly accepting a contribution from a corporation. A PSC is a corporation organized under KRS Chapter 274; therefore, the prohibitions contained in the previously cited statutes are applicable to a PSC.

Dr. Kevin T. Kavanagh

Advisory Opinion 93-006 does not apply to your opinion request. Specifically, the case of Gable v. KREF, 92-CA-2348-S, upon which Advisory Opinion 93-006 relies addressed the issue of whether the assets of a wholly-owned corporation which were used to secure a campaign debt were corporate contributions to that candidate. The Court upheld the Registry's dismissal of a complaint based upon a specific fact situation.

Sincerely,

Rosemary F. Center
General Counsel

RFC/db